

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:
Genmar Holdings, Inc.,
Debtor.

Case No. 09-43537
Chapter 11 Case*

*Converted to Ch. 7
on November 22, 2010

**REQUEST OF JACOB MANAGEMENT CORPORATION
FOR PAYMENT OF PRE-CONVERSION
ADMINISTRATIVE EXPENSE**

The undersigned Claimant Jacobs Management Corporation (“JMC”), pursuant to Local Rule 3002-2(c) states that:

1. The Debtors filed a petition under Chapter 11 of Title 11 of the United States Code on June 1, 2009.
2. The Debtors’ cases were converted to cases under Chapter 7 on November 22, 2010.
3. Prior to conversion of the cases, JMC provided services which qualify as an administrative expense under 11 U.S.C. § 503. These services were in the nature of management and related services under a pre-petition Management Services Agreement dated July 1, 2008, a copy of which is attached hereto as Exhibit 1.
4. The services provided by JMC prior to conversion of the cases have a reasonable value of \$1,833,333.33. During the administration of these cases prior to conversion, the Debtors paid JMC \$1,074,902.78 for such services. Accordingly, JMC has an unpaid balance for such services of \$758,430.55 as set forth in more detail on the attached Exhibit 2. Separately, JMC also has a \$50,000 administrative claim for that portion of an e-commerce bill for insurance attributable to the post-petition time period as set forth on Exhibit 3.
6. Attached are documents supporting Claimant’s request for payment.
7. JMC requests allowance of this Pre-conversion Administrative Expense in the total amount of \$808,430.55.

8. Pursuant to Local Rule 3002-2(c), a copy of this claim is being served upon the Chapter 7 Trustee Charles W. Ries.

Dated: February 9, 2011

MASLON EDELMAN BORMAN & BRAND LLP

/e/ Amy J. Swedberg
Amy J. Swedberg (#271019)
3300 Wells Fargo Center
90 South Seventh Street
Minneapolis, MN 55402
(612) 672-8200

ATTORNEYS FOR JACOBS MANAGEMENT CORPORATION

Exhibit 1

Management Services Agreement

MANAGEMENT SERVICES AGREEMENT

THIS MANAGEMENT SERVICES AGREEMENT made and entered into this 1st day of July, 2008 by and between JACOBS MANAGEMENT CORP., a Delaware corporation (hereinafter referred to as "JMC"), and GENMAR HOLDINGS, INC., a Delaware corporation (hereinafter referred to as "Holdings").

WHEREAS, JMC, through its officers, employees and staff, has considerable knowledge and experience relating to the organization and financial aspects of managing business enterprises and desires to continue to aid and assist Holdings by providing certain advisory and other managerial services to Holdings; and

WHEREAS, Holdings desires to continue to engage JMC.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties hereto agree as follows:

1. Engagement of JMC. Pursuant to the terms and conditions hereinafter set forth, Holdings does hereby appoint and engage JMC, and JMC hereby accepts its appointment and engagement by Holdings, as Holdings' management consultant and advisor with respect to the matters specified in paragraph 2 hereof.

2. Services of JMC. JMC shall provide managerial and advisory services and recommendations to Holdings regarding Holdings' management, including general management, direction and planning; financial management, analysis and planning; general accounting and administration; marketing and sales assistance; facilities management; insurance administration; tax preparation and consulting; personnel administration and public relations; management of discontinued operations liabilities; employee benefit administration; IT consulting and administration; and records management. It is further agreed that JMC shall make available as often as requested by Holdings, qualified personnel to assist Holdings with any problems or questions Holdings may have in any of the above described areas. In addition, qualified JMC personnel shall monitor, examine and review the operations of Holdings on a regular basis and shall periodically report the results of such operations to the Board of Directors of Holdings.

3. Holdings' Responsibilities. Holdings shall cooperate with JMC personnel in the review and evaluation of Holdings' operating procedures and shall provide such reports and other material as JMC may reasonably request.

4. Indemnification. Holdings shall indemnify and hold harmless JMC and each of its directors and officers, employees and agents who are or are threatened to be made party to or are otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the providing of services to Holdings under this Agreement, from and against all expense, liability and loss (including attorneys' fees, judgments, fines and amounts paid in settlement) incurred or suffered by such indemnitee in connection therewith, except to the extent that it is determined in such action, suit or proceeding that action taken or failure to take action by such indemnitee in the providing of such services constituted gross negligence or willful misconduct. The foregoing rights of natural persons to indemnification shall be contract rights, shall continue to an indemnitee who has ceased to be a director,

officer, employee or agent of JMC, and shall inure to the benefit of the indemnitee's heirs, executors and administrators.

5. Confidentiality. It is understood that in the course of performing its duties under this Agreement, JMC, its officers and personnel, will become aware of certain financial information which Holdings considers to be proprietary and confidential. JMC shall maintain all such information in the strictest confidence and shall not disclose such information to any third party without the prior consent of Holdings' Board of Directors. Notwithstanding the foregoing, nothing in this Agreement shall be construed as restricting or prohibiting JMC, its officers and personnel, from offering the same or similar services to other corporations or enterprises, whether or not such other business enterprises could be considered to be competitive with the business of Holdings.

6. Consideration. In consideration of JMC's services under this Agreement, Holdings shall pay to JMC a management fee of \$2,750,000.00 per annum payable in twelve (12) equal monthly installments. Such monthly installments are due and payable in advance of the first business day of each month. Within two (2) months prior to the end of any given year under this Agreement, the parties agree to negotiate in good faith and establish the consideration to be paid by Holdings to JMC for the following year. In addition to the annual fee contemplated in this paragraph 6, the parties acknowledge and agree that any fees associated with (a) records management services performed by non-fulltime JMC personnel, and (b) IT consulting services provided by JMC's Jacobs Interactive division are not included in such annual fee and are to be negotiated and agreed to by the parties as the circumstances warrant.

7. Invoices for Expenses. JMC shall submit to Holdings all invoices for expenses incurred by JMC personnel in connection with rendering managerial services to Holdings under this Agreement. Within thirty (30) days after receipt of any or all such invoices, Holdings shall reimburse JMC for such expenses incurred. It is understood that reimbursement of such expenses shall be in addition to the fee set forth in paragraph 6 above.

8. Term of Agreement. The term of this Agreement shall be for a period of one (1) year commencing July 1, 2008. Thereafter, the Agreement shall be automatically extended for successive one (1) year periods unless either party provides to the other party written notice of termination at least two (2) months prior to the end of the then-current term.

9. Severability. Any provisions of this Agreement which is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof.

10. Amendment. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and no amendment, modification, termination or waiver of any provisions of this Agreement and no consent to any departure by any party therefrom shall in any event be effective unless the same shall be in writing and signed by all parties, and then such waiver or consent shall be effective only in the given instance and for the specific purpose for which given.

11. Assignment Prohibited. The parties' rights and obligations under this Agreement may not be assigned to any third party without the written consent of all the parties.

12. Governing Law. This Agreement shall be governed by and construed under the laws of the State of Minnesota.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first written above.

JACOBS MANAGEMENT CORP.

By: David A. Mal
Title: VP-Treasurer

GENMAR HOLDINGS, INC.

By: Roger R. Olson
Title: President

Exhibit 2

**Jacobs Management Corporation
Post Petition Management Fees**

	Mgmt Fees per mgmt <u>Agreement</u>	Mgmt Fees actually <u>paid</u>	short of <u>contract</u>
June	\$ 229,166.67	\$ 192,438.93	\$ 36,727.74
July	\$ 229,166.67	\$ 221,537.00	\$ 7,629.67
August	\$ 229,166.67	\$ 149,727.53	\$ 79,439.14
September	\$ 229,166.67	\$ 75,000.00	\$ 154,166.67
October	\$ 229,166.67	\$ 128,377.10	\$ 100,789.57
	<u>\$ 1,145,833.33</u>	<u>\$ 767,080.56</u>	<u>\$ 378,752.77</u>
November	\$ 229,166.67	\$ 97,529.00	\$ 131,637.67
December	\$ 229,166.67	\$ 107,691.68	\$ 121,474.99
January, 2010	\$ 229,166.67	\$ 102,601.54	\$ 126,565.13
	<u>\$ 687,500.00</u>	<u>\$ 307,822.22</u>	<u>\$ 379,677.78</u>
Grand Total post c-11	<u>\$ 1,833,333.33</u>	<u>\$ 1,074,902.78</u>	<u>\$ 758,430.55</u>

Exhibit 3

Attached is a copy of an Invoice from Willis of Minnesota, Inc. dated January 30, 2009 in the total amount of \$90,932.00 is for e-commerce insurance for the 12 month period from February 1, 2009 through January 31, 2010. A total of \$75,000 of this invoice is allocated to insurance for the Debtor, with \$25,000 attributable to the pre-petition time period (the months of February through May, 2009) and \$50,000 attributable to the post-petition time period (the months of June, 2009 through January, 2010).

JACOBS MANAGEMENT CORPORATION

Case 09-18674 Doc 11-97 Filed 02/09/11 Entered 02/09/11 17:07:31 Desc Main

28674

Vendor ID	Name	Payment Number	Check Date	Document Number
WILMIN010	Willis of Minnesota, Inc.	010106	2/9/2009	28674
Document Number	PO#/Account #	Date	Net Amount Paid	Amount
0193425/0191129		1/30/2009	\$90,932.00	\$90,932.00

\$90,932.00 \$90,932.00

USBANK
17-2910

JACOBS MANAGEMENT CORPORATION

2900 IDS CENTER
30 S 8TH ST
MINNEAPOLIS MN 55402-2100
(612) 369-9500DATE AMOUNT
2/9/2009 \$90,932.00

PAY TO THE ORDER OF Ninety Thousand Nine Hundred Thirty Two Dollars And 00 Cents

PAY
TO THE
ORDER
OFWillis of Minnesota, Inc.
P.O. Box 93076
Chicago IL 60673-3076*Michael M. Nalick**John L. Scott*

026CPL190471000002211047558836001

JACOBS MANAGEMENT CORPORATION

28674

Vendor ID	Name	Payment Number	Check Date	Document Number
WILMIN010	Willis of Minnesota, Inc.	010106	2/9/2009	28674
Document Number	PO#/Account #	Date	Net Amount Paid	Amount
0193425/0191129		1/30/2009	\$90,932.00	\$90,932.00

\$90,932.00 \$90,932.00

To: LoriMake Payment on: 2/13/09Date: 2/6/09Invoice Amount: 90,932Invoice Date: 1/30/09 - 1/26/09Approved By: Jill AftokInvoice No: 01934252 0191129Approval Date: 2/9/09Purpose of Payment: Premier + Broker Fee for E-commerce 1/31/09-10
Policy**Payable to:**

- A.I. Credit Corp.
- Marsh USA, Inc.
- Amerisure Insurance Company
- MN Workers Comp Assigned Risk Plan c/o RTW, Inc.
- Crawford & Company
- RJF Agencies, Inc.
- Florida Self Insurers Guaranty Association, Inc.
- Wausau Insurance Companies
- Gallagher Bassett Services
- Wells Fargo Insurance Services
- The Hartford
- Willis of Minnesota, Inc.
-
-
-
-
-

Allocation:75,000 Part of Fronted Program (Genmar)

<u>Carver</u>	<u>AEGIS</u>
<u>Four Winns</u>	<u>AMF/Minstar</u>
<u>Genmar Corporate</u>	<u>Jacobs, Irwin</u>
<u>Genmar Int'l.</u>	<u>Jacobs Industries</u>
<u>Larson/Glastron</u>	<u>Jacobs Management</u>
<u>Seaswirl</u>	<u>Jacobs Trading</u>
<u>Stratos</u>	<u>Lindsay, Dan</u>
<u>Transportation (Genmar)</u>	<u>MLO</u>
<u>Triumph Boats</u>	<u>Operation Bass</u>
<u>VEC Technology</u>	<u>Premier Storage</u>
<u>Wellcraft</u>	<u>Watkins</u>
<u>Wood/Ranger</u>	<u>Other</u>

Comments:

Willis

Willis of Minnesota, Inc.
P.O. Box 93076
Chicago, IL 60673-3076
(763) 302-7100

INVOICE

INVOICE DATE
30-JAN-2009
INVOICE NO.
0193425

JACOBS MANAGEMENT CORPORATION
ATTN: JILL HAMLETT
2900 IDS CENTER
80 SOUTH 8TH STREET
MINNEAPOLIS MN 55402

DUE DATE

Upon Receipt

ACCOUNT	LOCATION	ACCOUNT NAME	
111152	001	Jacobs Management Corporation	
FOR QUESTIONS REGARDING THIS INVOICE, PLEASE CALL ONE OF THE FOLLOWING			
SERVICER	Merry L. Cravens	PRODUCER	Scot A. Housh
REF	BILLING INFORMATION		AMOUNT
01	Transaction: Policy Renewal Eff. Date : 31-JAN-2009 Policy : 287337432 Description: Internet Network Liabilit Period : 31-JAN-2009 to 31-JAN-2010 Carrier : Columbia Casualty Company In Full : January 2009 Premium for Cyber Security Liability Commission Credit MN Surplus Lines Tax MN Stamping Fee	\$ \$ \$ \$	92,162.00 14,745.92CR 2,322.48 193.54
Total for Reference 01 \$ 79,932.10			
Cyber Liability. Premium billed is Net of Commission			
Gross Premium:	\$92,162.00		
Commission:	-\$14,745.92		
Net Premium:	\$77,416.08		
MN Suplus Lines Tax	\$ 2,322.48		
MN Stamping Fee	\$ 193.54		
Total:	\$79,932.10		

PLEASE INCLUDE INVOICE NUMBER WITH YOUR PAYMENT

AMOUNT DUE

(Continued)

Willis is a member of a major international group of companies. In addition to the compensation received by Willis from insurers for placements of your insurance coverages, other parties, such as excess and surplus lines brokers, wholesalers, reinsurance intermediaries, underwriting managers and similar parties (some of which may be owned in whole or in part by Willis' corporate parents or affiliates), may earn and retain usual and customary commissions for their role in providing insurance products or services to clients under their separate contracts with insurers or reinsurers. On October 21, 2004, we announced that we would discontinue contingencies in North America immediately and in the other countries in which we operate by the end of the year. For any placements that were made prior to October 21, 2004, it is possible that Willis, or its corporate parents or affiliates, earned contingent payments or allowances from insurers based on factors which are not client-specific, such as size or performance of an overall book of business produced with an insurer by Willis, its corporate parents or affiliates. Upon written request, Willis will provide information regarding the compensation received by Willis or by its corporate parents or affiliates. Prior to its merger with Willis, HRH accepted contingent compensation on certain of its clients' accounts; these contingents will be phased out over three years, and no contingents will be accepted on any new brokerage clients or business generated after the October 1, 2008 acquisition.

Willis

Willis of Minnesota, Inc.
P.O. Box 93076
Chicago, IL 60673-3076
(763) 302-7100

INVOICE

INVOICE DATE
30-JAN-2009
INVOICE NO.
0193425

JACOBS MANAGEMENT CORPORATION
ATTN: JILL HAMLETT
2900 IDS CENTER
80 SOUTH 8TH STREET
MINNEAPOLIS MN 55402

DUE DATE

Upon Receipt

ACCOUNT 111152	LOCATION 001	ACCOUNT NAME Jacobs Management Corporation
FOR QUESTIONS REGARDING THIS INVOICE, PLEASE CALL ONE OF THE FOLLOWING		
SERVICER Merry L. Cravens	PRODUCER Scot A. Housh	

REF	BILLING INFORMATION	AMOUNT
	ACH/WIRE INSTRUCTIONS: BANK NAME: SUNTRUST BANK CITY/STATE: ATLANTA, GA ABA#: 061000104 ACCOUNT#: 1000005445241 ACCOUNT NAME: WILLIS OF MINNESOTA, INC ***PLEASE REFERENCE INVOICE NUMBER*** ***US DOLLAR ACCOUNT ONLY***	

PLEASE INCLUDE INVOICE NUMBER WITH YOUR PAYMENT AMOUNT DUE → \$ 79,932.10

Willis is a member of a major international group of companies. In addition to the compensation received by Willis from insurers for placements of your insurance coverages, other parties, such as excess and surplus lines brokers, wholesalers, reinsurance intermediaries, underwriting managers and similar parties (some of which may be owned in whole or in part by Willis' corporate parents or affiliates), may earn and retain usual and customary commissions for their role in providing insurance products or services to clients under their separate contracts with insurers or reinsurers. On October 21, 2004, we announced that we would discontinue contingencies in North America immediately and in the other countries in which we operate by the end of the year. For any placements that were made prior to October 21, 2004, it is possible that Willis, or its corporate parents or affiliates, earned contingent payments or allowances from insurers based on factors which are not client-specific, such as size or performance of an overall book of business produced with an insurer by Willis, its corporate parents or affiliates. Upon written request, Willis will provide information regarding the compensation received by Willis or by its corporate parents or affiliates. Prior to its merger with Willis, HRH accepted contingent compensation on certain of its clients' accounts; these contingents will be phased out over three years, and no contingents will be accepted on any new brokerage clients or business generated after the October 1, 2008 acquisition.

Willis

Willis of Minnesota, Inc.
P.O. Box 93076
Chicago, IL 60673-3076
(763) 302-7100

INVOICE

INVOICE DATE
26-NOV-2008
INVOICE NO.
0191129

Jacobs Management Corporation
Attn: Jill Hamlett
2900 IDS Center
80 South 8th Street
Minneapolis, MN 55402

DUE DATE

30-JAN-2009

ACCOUNT 111152	LOCATION 001	ACCOUNT NAME Jacobs Management Corporation
--------------------------	------------------------	--

FOR QUESTIONS REGARDING THIS INVOICE, PLEASE CALL ONE OF THE FOLLOWING

SERVICER **Merry L. Cravens**

PRODUCER **Scot A. Housh**

REF	BILLING INFORMATION	AMOUNT
01	Transaction: Account Service Eff. Date : 10-NOV-2008 Service : MGMT Description: Management Period : 10-NOV-2008 to 10-NOV-2009 Installment: January 2009 Fee Account for Management	\$ 11,000.00
	Total for Reference 01 \$ 11,000.00	

ACH/WIRE INSTRUCTIONS:

BANK NAME: SUNTRUST BANK

CITY/STATE: ATLANTA, GA

ABA#: 061000104

ACCOUNT#: 1000005445241

ACCOUNT NAME: WILLIS OF MINNESOTA, INC

PLEASE REFERENCE INVOICE NUMBER

US DOLLAR ACCOUNT ONLY

PLEASE RETURN THIS COPY WITH YOUR PAYMENT

AMOUNT DUE **\$ 11,000.00**

Willis is a member of a major international group of companies. In addition to the compensation received by Willis from insurers for placements of your insurance coverages, other parties, such as excess and surplus lines brokers, wholesalers, reinsurance intermediaries, underwriting managers and similar parties (some of which may be owned in whole or in part by Willis' corporate parents or affiliates), may earn and retain usual and customary commissions for their role in providing insurance products or services to clients under their separate contracts with insurers or reinsurers. On October 21, 2004, we announced that we would discontinue contingencies in North America immediately and in the other countries in which we operate by the end of the year. For any placements that were made prior to October 21, 2004, it is possible that Willis, or its corporate parents or affiliates, earned contingent payments or allowances from insurers based on factors which are not client-specific, such as size or performance of an overall book of business produced with an insurer by Willis, its corporate parents or affiliates. Upon written request, Willis will provide information regarding the compensation received by Willis or by its corporate parents or affiliates.

Willis

Willis of Minnesota, Inc.
P.O. Box 93076
Chicago, IL 60673-3076
(763) 302-7100

INVOICE

INVOICE DATE
26-NOV-2008
INVOICE NO.
0191129

Jacobs Management Corporation
Attn: Jill Hamlett
2900 IDS Center
80 South 8th Street
Minneapolis, MN 55402

DUE DATE

30-JAN-2009

ACCOUNT 111152	LOCATION 001	ACCOUNT NAME Jacobs Management Corporation
--------------------------	------------------------	--

FOR QUESTIONS REGARDING THIS INVOICE, PLEASE CALL ONE OF THE FOLLOWING

SERVICER **Merry L. Cravens**

PRODUCER **Scot A. Housh**

REF	BILLING INFORMATION	AMOUNT
01	Transaction: Account Service Eff. Date : 10-NOV-2008 Service : MGMT Description: Management Period : 10-NOV-2008 to 10-NOV-2009 Installment: January 2009 Fee Account for Management	\$ 11,000.00

Total for Reference 01 \$ 11,000.00

ACH/WIRE INSTRUCTIONS:

BANK NAME: SUNTRUST BANK

CITY/STATE: ATLANTA, GA

ABA#: 061000104

ACCOUNT#: 1000005445241

ACCOUNT NAME: WILLIS OF MINNESOTA, INC

PLEASE REFERENCE INVOICE NUMBER

US DOLLAR ACCOUNT ONLY

PLEASE RETAIN THIS COPY FOR YOUR RECORDS

AMOUNT DUE → \$ **11,000.00**

Willis is a member of a major international group of companies. In addition to the compensation received by Willis from insurers for placements of your insurance coverages, other parties, such as excess and surplus lines brokers, wholesalers, reinsurance intermediaries, underwriting managers and similar parties (some of which may be owned in whole or in part by Willis' corporate parents or affiliates), may earn and retain usual and customary commissions for their role in providing insurance products or services to clients under their separate contracts with insurers or reinsurers. On October 21, 2004, we announced that we would discontinue contingencies in North America immediately and in the other countries in which we operate by the end of the year. For any placements that were made prior to October 21, 2004, it is possible that Willis, or its corporate parents or affiliates, earned contingent payments or allowances from insurers based on factors which are not client-specific, such as size or performance of an overall book of business produced with an insurer by Willis, its corporate parents or affiliates. Upon written request, Willis will provide information regarding the compensation received by Willis or by its corporate parents or affiliates.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:
Genmar Holdings, Inc.,
Debtor.

Case No. 09-43537
Chapter 11 Case*

*Converted to Ch. 7
on November 22, 2010

UNSWORN CERTIFICATE OF SERVICE

I, Amy J. Swedberg, declare that on February 9, 2011, the following documents:

1. Request Of Jacob Management Corporation For Payment Of Pre-Conversion Administrative Expense; and
2. Certificate of Service

were electronically filed through the Electronic Case Filing System (ECF), to the Filing Users, including, but not limited to, the Chapter 7 Trustee listed below:

Charles W. Ries
cw_ries@mrr-law.com

Pursuant to Local Rule 9006-1, the filing constitutes service or notice of the filed documents on the Filing Users.

Dated: February 9, 2011

/e/ Amy J. Swedberg
Maslon Edelman Borman & Brand, LLP
3300 Wells Fargo Center
90 South 7th Street
Minneapolis, MN 55402